

30 March 1981

NOTE FOR: Mr. Hugel  
FROM:   
Chairman, DCI Management  
Advisory Group  
SUBJECT: DCI/MAG ISSUE PAPERS

Attached are three "Issue Papers"  
which the DCI/MAG recently gave to the  
DCI. I thought you might want to see  
them before your meeting with the MAG  
later today.

Attachments



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REMARKS

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DCI/MAG ISSUE PAPER

AGENCY MORALE

DDI/A  
FILE: 04M-7

ISSUE: There is a pressing need for action to revive the aura of special mission and unique "can-do" attitude that pervaded the CIA in the past, but which has noticeably dimmed in recent years.

BACKGROUND: The cumulative effects of congressional investigations, negative public attitudes, and complex restrictions and guidelines which discourage individual initiative have had a suppressive impact on the Agency. The tendency in recent years toward Agency conformance with government-wide personnel and administrative policies has also been detrimental.

Financial rewards have never been the key element in attracting the best available people to intelligence work. We have instead relied on the special, uniquely important nature of our work. In recent years, however, the luster of intelligence work has been tarnished, while the financial gap between rewards available at the Agency and those attainable in the private sector has widened. At the same time, disincentives to overseas service have increased dramatically.

As a result, there is a real question as to whether the Agency will be capable of responding effectively as it is increasingly called upon to achieve improved performance.

RECOMMENDATIONS: -- Consideration should be given to use of the DCI's personnel authorities to create special pay and incentive scales for intelligence specialists in areas such as engineering, science, language, and law. Creative compensation/motivation systems for the Agency's clerical and secretarial personnel are urgently needed. DCI personnel authorities might also be used to establish a corps of intelligence reservists from the ranks of retired personnel. Such a corps would be available for temporary assignments without detriment to retirement status and benefits.

-- Ways must be found to restore the Agency's traditional esprit de corps. It is particularly important that the DCI demonstrate his understanding of the uniqueness of the Agency's mission and function by resisting application of inappropriate government-wide policies to the Agency. This is particularly important in areas which impact on the calibre of personnel and on the Agency's need to function outside of normal government-wide routine with respect to hours and working conditions.

-- It must be recognized that achievement of a more effective Agency (a goal shared by the Administration) will inevitably involve some conflict with Administration policies in the personnel and fiscal areas. The DCI should acknowledge this and make his views on the issue known to Agency officers.

DCI/MAG ISSUE PAPER

MANAGEMENT ACCOUNTABILITY

ISSUE: Over the past few years there has been a noticeable deterioration in the exercise of managerial responsibility at the first-line and middle levels of Agency management. This has been evidenced by a growing tendency to "delegate upward" the decision-making responsibility for many matters--especially personnel management--which are more appropriately resolved within an immediate component.

BACKGROUND: This trend seems to have been caused by several developments:

- the emergence or expansion of senior staffs at both the directorate and DCI level.
- the apparent increasing complexity of the rules and goals of personnel management.
- insufficient or inappropriate training for new first-line supervisors.

RECOMMENDATIONS: We believe that this trend is deleterious to a strong and effective Agency, and that it can and should be reversed at the earliest opportunity by the issuance of firm guidance from the DCI level on the following points:

- Supervisors and managers at all levels are expected to exercise the full authority of their position to ensure the proper functioning of their components.
- When it is necessary to seek the guidance, or invoke the authority, of a more senior official, managers must prepare their own recommendations for a decision rather than simply bucking the problem "up the line."
- Supervisors must, within 18 months of a new assignment, have received formal training appropriate to their duties and level of responsibility.
- It should be clearly emphasized that staff personnel are responsible for assisting the Agency's line managers, and must work through them rather than intervening in line functions.

## INTEGRATED RESOURCE PLANNING

ISSUE: Because of the enormous resources required to develop and operate technical collection systems, it is standard practice to calculate the costs and benefits involved in undertaking any such commitment. Unfortunately, the nature of the Agency's organizational structure has led to incomplete integration of processing and analytical impact into the planning process. Disjointed inter-directorate resource planning is related to some of the "quality of analysis" criticism leveled at the Agency: i.e., why doesn't an increase in collection volume lead to a commensurate improvement in finished intelligence products?

BACKGROUND: The problems begin long before a collection system comes into operation:

- DDS&T and its contractors calculate figures for their costs in developing and operating a system, but NFAC is not required to calculate the long-term resources needed to cope with the increased data to be generated by the system;
- nor are the processors and users always asked to assess in advance what the "value added," or benefit, from new collection products is likely to be.

The problems of resource planning are further complicated by several other factors:

- technical systems tend to be heavily capital-intensive, with the most visible costs occurring in the short-term.
- processing and analysis are (despite increasing automation) irreducibly labor-intensive, and are a recurring, long-term cost.
- Congress has been more willing to provide funds for new technology than to provide the manpower and work space required to cope with its effects.

Under these conditions, the processors and analysts of technically collected data have tended to conduct their planning and resource management on an ex post facto basis.

RECOMMENDATIONS:

- Commitments to proceed with new technical collection systems should be made only after a systematic assessment of the utility of the data to be collected and the preparation of an impact statement detailing the processing and analytical resources which will be required to deal with it.



through the recently-formed Advanced Systems Planning Group (ASPG), which is designed to ensure that collectors and exploiters are sensitive to NFAC's projected intelligence needs for the 1980's.

- The ASPG should receive the strong support of senior Agency management, especially the Comptroller.
- Its charter should be broadened to include intelligence needs beyond the mid-1980's.
- Its input to new collection system proposals by the DDS&T must precede decisions for funding.

Date

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**REMARKS**

Background information plus a list of current DCI MAG members for Mr. Hugel's meeting on Monday, 30 March, at 4:00 p.m.

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The Management Advisory Group

(DCI MAG)

The DCI Management Advisory Group was established in 1969 in an effort to facilitate access on the part of the Director to the views of mid-level Agency officers on matters of concern to Agency management, and on issues brought to management's attention by the MAG.

The MAG consists of fourteen professional career officers, most with management responsibilities, in grades GS 12-16, from all Agency Directorates, the National Foreign Assessment Center, and the Office of the Director. Management advisory groups also exist within various directorates and offices of the Agency, but the DCI MAG is the only such group which has Agency-wide representation.

The MAG's recent activities have included a highly successful "in-house speakers program," which has provided a forum for top-level Agency leaders to exchange views with employees on a variety of issues. The DCI and DDCI, the heads of several directorates, and the Agency's General and Legislative Counsels have participated in this program.

The MAG is a unique resource which is available for consultation whenever the Director or Deputy Director desires the independent counsel of mid-level officers. A roster of the current MAG, accompanied by brief biographic sketches of each MAG member, is attached.

The MAG can be reached directly through its current Chairman, [redacted] or via the Agency's Executive Secretary, Ben Evans [redacted].

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